G. R. S. IX-5]

Previous references.

File No. 40-16

1916-17

(G 7)

Serial Nos. 7, 16a, 22a, 23a, 23 6

Later references.

G.7 16-17 (2+3)
G-f-36-18 V.S 1, 3 Mar 18.
4 159-18 4 L-7, 13 Feb 1919
4 33-19 4 S-6, 13 Feb 1920

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 7, 16a, 22a, 23a & 23b

Part B for July 1917.

SUBJECT.

Bank of Mysore.

Report and draft order on the Working of the Mysore Bank from October 1913 to 31st December 1916.

W D 88—GPB—50,000—24-7-16

21.8.17

(1

J. R. S. 11] 1916-17

GENERAL AND REVENUE SECRETARIAT.

(G. J.)

NOTES.

File No. 40-16

FILE HEADING.

Bank of Mysore

From

No.	Dated	Received

Diary No.	Enclos.	Spare Copies.	Serial No.

BRIEF ABSTRACT OF LETTER.

NOTES AND ORDERS.

P. T. O.

NOTES—First Sheet.

H Bus 750

G.R.S. III—3]

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

Subd

1) The file marked Income G 234-16 x marked C the Income contains all the audit reports of the Bank of England up to date.

2) There is also a Statement in the said file showing progress of transactions.

3) A set of Report of the Directors presented to the Shareholders' and up to date is also put up.

4) Subd as per verbal order of the Asst Secy on the evening of the 12th inst.

18/1/1917

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

W.D. 84—GPB—60,000—20-7-16

Hulfpenny Appd for 31-12-16 read in 23-1-17

(3)

G.R.S. III—3]

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

5) From the halfyearly reports received from the banks, the latest of which for the period ending 31st. Dec. 16, was received here today and the Govt. auditors report I have attempted to draw up a draft report and a draft Go, in accordance with the directions of the Dewan & Financial Secy — Vide orders of 11-1-17 & 12-1-17 resp.

6) But the papers do not contain all the necy information for a satisfactory review — May a reference be made to the banks for supplying information on the following points —

(1). What are all the branches now established, and when were they started —

(2) What is the trade or industry — in the course of which they were started.

(3) What is the extent of the operations in each branch as compared with that at the Head office — for 1916 (say)

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

W.D. 84—GPB—60,000—20-7-16

Rec.
Gl. 7

COMPTROLLER'S OFFICE.

(CIVIL BRANCH.)

(B)

ORDERS. | **NOTES.**

4) What precautions of the public deposits as at end of year 1916 was exhibited by head Capital ?

5). What precautions of the Bank against liabilities at 31.12.16 was disclosed by the particulars in Mly Govt Statement showing cash Statement —

[The auditors report is presumably only that over 50 p.c. of the Capital of the Bank was exhibited in the Mly Govt Statement].

7) For further instructions —

H(Key) — 18
20.1.17.

8) Yes call for the following particulars in a confidential D.O.

M.
7/2

9) Draft D.O. attached
Let go
8/2/17

Issued
M.
22.2.17

WD 1233—GPB—60,000—1-12-16—S.

2120

G. R. S. III-2]

General and Revenue Secretariat. 4 2 File No. 40 of 1916

Serial No.	
16a	To the Manager Bank of Mysore No H 4686 dt 23-2-17 Requests to kindly furnish for the information of Govt certain particulars in connection with the working of the Bank of Mysore
22a	From the Manager Bank of Mysore Nos — dt 14-3-17 Furnishes the information called for.
	10) Please have the report and the statistics of the working of the Bank neatly typed at once — 18 22-3-1917
	11) Vide under flimsy (7th day) Vide Dewan's order dt 10-1-1917 — 18 28-3-1917 — 30
	12) Branches & Agencies in Banking are different things. I understand that the Mysore thing is a Branch & others agencies. Please verify this information & make necessary changes in the report & draft order if correct & resubmit. — In 13-4-17
	13) Draft dated 14/4 for [illegible] Put up draft inquiring Govt No 15 D 407

NOTE—Contn. sheet

(6)

WD 1283—GPB—60,000—1-12-16—S.

G. R. S. III-2]

270

General and Revenue Secretariat. | G 7 File No. 40 of 1916

Serial No.	
14	Attention is invited to Mr Rose's letter of 14.3.17 - The for some time past there is a paid manager at Meyore and the concern at that place may be reckoned as a branch, Mr Rose treats it practically as an agency altogether. If approved the draft enquiry to the Manager of the Bk will be issued. 16.4.17.
	Issued 18/4
23a	To the Manager Bank of Mysore Ld H 6672 § 19-4-17 Enquires if there is any distinctions made in regard to the working between an Agency & a Branch.
23b	From the Manager Bank of Mysore Ld No G 8/149 § 20-4-17 Informs that Mysore was converted into a Branch in Sept 1915 & the working difference between a Branch & Agency is that in the former the Manager is paid a

NOTE—Contn. sheet.

2670
WD 1233—GPB—60,000—1-12-16—S.

G. R. S. III-2]

General and Revenue Secretariat. | Y 7 File No. 40 of 1916

Serial No.

monthly Salary × in the latter a fixed percentage on net profits

15) Subt to H Secy as per Asstt Secys orders on the reference.

Init 23/4

16) A brief report and a draft order regarding the working of the Ellyson Bank prepared as per Dewan's orders of 10.1.17. are submitted

18th member. 3. 18 4.5.1917.

Dewan.

2968/525

6360/7.5.17

17) May be after week

6/5 18 7/5

I am glad this report has come after all. It is desirable to add a paragraph clearly showing to what extent the Bank has been useful to the public and to the Government, respectively, and in what directions its usefulness can be enhanced in future.

Noted. Action separately will be taken in this matter for next year. 18 18.5.1917

2. An annual review like this should be prepared in the Financial Department and sent up without fail in the month of January of each year, beginning with January 1918.

Noted 18

3. The Government order should not issue either to the Bank, or the public. It may be recorded after circulation to the Secretaries to Government and perusal

NOTE—Contn. sheet.

2170 & 2570

WD 1233—GPB—60,000—1-12-16—S.

G. R. S. III-2]

General and Revenue Secretariat. | G. F. File No. 40 of 191 6.

Serial No.

perusal by Council and submission to His Highness.

16.5.17.

Cmdl Secy). For favour of needful action Vide paras. of Dewan's adm. 18/5/17

Members of Council) Dewan's Rao 25/5 18 22/5

3264/23.5.17

I agree 25/5 Secy 4

3328/28.5.17

29.5 — 25/5 Secy

18/29/5

H Secy). 18/29.5.17. for perusal.

The review should be included in the list of reports due by the Finl Branch in the F. B. Calendar

Mr 28/6.

Supdt. - Please note

Further action 5/6/17.

may as proposed Dewan's adm.

This may be submitted to the Extraordinary Member.

18 6/6/17.

Subd. Mr 6.6.17. Subd. (Secy: member).

Note, after action, this will be placed before H.H. with [illegible]

NOTE—Contn. sheet.

Dewan 12.6.17.

Secy 14/6

1670

WD 1233—GPB—60,000—1-12-16—S.

G. R. S. III-2

General and Revenue Secretariat.	G 7 File No. 40 of 1916.

Serial No.

The General and the Financial Secretaries have seen this. Circulated to (1) Rev: Secretary and (2) Sec 4 (E & A). (Vide para 3 of the Dewans order on page 6.

Wires 752-16 GAW 1

Secy. Will compliment. MB 15.6.17.

MB 15/6/17

Seen and returned with thanks I should like to have a copy for my file of the Mr Secy's visit of the 4th May — The Bank has acquired considerable stability In my opinion some action ing be taken to entrust the Bank with a portion of the Treasury Business at Bangalore — The Bank have been feeling that in many instances such as the payment of the war loan the Govt still look it as an institution that has not fully established itself

By 18/6/17

Please send with enclosures. MB 21.6.17

By II

P.M. 1916

Seen & returned with thanks.

By 21.6.17.

Put up to HV 18/21/6

NOTE—Contn. sheet.

* S R and B 21/6

2570

WD 1233—GPB—60,000—1-12-16—S

G. R. S. III-2

General and Revenue Secretariat.

47 File No. 40 of 1916-17

Serial No.	
	Sultan Mahmud a D.S.N. vide Dewan's order of 16.5.1917. (Hetty). 18 22/6/17
	Dewan). 22/6/17 18 4.7.17
68 4.7.17	

NOTE—Contn. sheet.

(11

Submitted to His Highness.

I submit herewith for His Highness' gracious perusal a brief report and a draft order regarding the working of the Mysore Bank since its inception in October 1913 up to 31st December 1916.

The report and the draft order have been circulated to the Members of Council and the Secretaries to Government concerned and will be filed after perusal by His Highness.

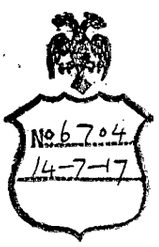
M. Rangaraja

14th July 1917.

(12

Record of Cases submitted for the Orders of His Highness the Maharaja.

Subject.



Report and draft order on the working of the Mysore Bank from October 1913 to 31st December 1916.

63

Order.

~~KRW~~
20/7/17

Fin'l Secretary
22.7.17 do

MS 7m
20/7/17

(13)

Rec.
Gl. 7

COMPTROLLER'S OFFICE.

(CIVIL BRANCH.)

ORDERS. | **NOTES.**

Table I

Showing capital, reserve, exp (fwl. other), cash & investments dividend of the 3 Presy banks, Bengal, Bombay, Madras on 31st of Dec 1914 - Latest year for which Statistics are available in the bks. & of Mysore Bk on 31.12.16

Rs 1000.	Cap.	Reserve	Total Cont. exp.	other exp.	Total.	cash	Investments
Bengal - (1914)	2,00,00,~~-~~.	2,00,00 4,00	2,87,00	21,61,00,	24,48 00	11,70,00,	6,21,0
Bombay - (1914)	1,00,00.	1,10,00. 2,10,00	1,83,00.	10,82,00.	12,65,00	6,47,00	2,01,0
Madras. (1914).	75,00.	79,00. 1,54,00	91,00.	7,62,00.	8,53,00	2,69,00	1,34,0
Total.	3,75,00.	3,89,00. 7,64,00	5,61,00	40,05,00.	45,66 00.	20,84,00.	9,56,0
Mysore - (1916).	10,00.	1,75.	10,00.	40,38.	50,38.	12,86.	89
Baroda - Dec 1912 4th year of working	10,0 0	2.25	Not given	91,99	- 99,99	- 2760.	-

~~Table II~~. Proportion of ~~per cent~~ of cash to liabilities on deposits. Dividend declared

~~Prop. of cash to~~

Bengal.	47	16:
Bombay	51.	14½
Madras.	31	12.
Total -	46.	8.
Mysore -	24. Baroda 30	

Rec.
Gl. 7.

COMPTROLLER'S OFFICE.
(CIVIL BRANCH.)

	ORDERS.		NOTES.	
Table II				
Presp. Pres. Supt.	6	00 6	Do	Dividend
having cap.		cap + Reserve	liabilities	
Bombay (1914)	17 pc	8.5	1.1	1.6
Bombay (1914)	00	00	00	14 2
Madras (1914)	14.9	7.4	1	19
Mysore (1916)	19.	17.	3.1	8.
Baroda 1912	19	15.7	1.9	14

to end	6 months ended
June 1916.	31st Dec: 1916
735	13,75,243
8,704	43,85,647
602	4,89,439
000	10,00,000
000	10,00,000
476	28,41,914
713	1,05,269
640	10,90,609
000 (6%)	30000 @ 6%
000 (Bonus)	+10000 (Bonus)
00.0	50000
000	7,500
938	1,20,147
137	91,381
20.1	33,766

Statement shewing Progress of the Mysore since its formation in Oct.r 1913.

Items.	3 months ending 31st Dec. 1913	6 months ending 30th June 14.	6 months ending 31st Dec 14.	6 months ending 30th June 1915	6 months ending 31st December 1915	6 months ending 30th
Cost. Investments	509,479	10,59,714	12,60,418	13,51,408	17,91,686	13,9
Loans, Cash credits.	389,985	13,42,463	17,52,262	23,44,144	27,29,901	37,2
Bills discounted	120,900	1,64,900	2,92,018	4,12,005	3,93,718	3,5
Subscribed Capital	596,935	990,295	996,595	10,00,000	10,00,000	10,0
Deposits.						
Government	295,000	877,550	877,550	10,00,000	10,02,000	10,0
Fixed.	52,999	4,71,861	10,30,624	13,85,623	19,10,698	23,4
Savings Banks	14,020	4,19,26	50,186	43,899	62,753	8
Current.	76,267	1,76,659	3,08,167	6,03,271	8,27,000	8,7
Dividend	...	16,500 (4½)	30000 (6%)	30000 (6%)	30000 (6%)	30
Reserve (allotted)	...	12,500	12,500	25,000	25,000	+10 50 25
Contingency Fund	...	...	2500	"	5,000	5
Gross Profit (Excluding Fire Contribution)	6,366	44,316	64,098	87,054	93,728	1,26
Net Profits (including Fire Contribution)	2,891	31,092	45,260	65,255	71,613	1,00
Agencies opened.						
Estt: Charges.	6950	18,2.24	23,838	26,799	27,115	31,

F. S.

Copied RV 4/6/16

Copied K 5/8

Fm 750 of 1916

W. D. 2725—GPB—2,000—5-5-16

Confidential

Fo No 1762
11.1.17

REPLY.

(*To be written on this margin.*)

Office of the Dewan of Mysore.

NOTE.

Dated 10th January *191*7.

I shall be obliged if the Financial Secretary will kindly call for and send up, a brief report on the development and working of the Bank of Mysore from its inception, up to the close of the half year ended 31st December 1916. The report should contain information sufficient to enable Government to record an order reviewing the progress of the institution.

16/1/17

The Financial Secretary.

Ms Fin

For a brief report (not exceeding one page printed foolscap paper) and a draft order. The Directors' report to the shareholders issued from time to time should furnish most of the necessary materials. Particular stress should be laid on the help to development of trade & benefit to producers

M
12/1/17

XXX
M
12/1/17

Mr

G.F. 40–16
Ser: 7
D 1724

It is requested that in future communications on the subject, the No. and date of this letter, and the distinguishing letters below the number as given opposite, may be quoted and addressed to the Comptroller, Mysore Government.

the communications.

No. 6031 / Encl 2
Bank 632

OFFICE OF THE COMPTROLLER, MYSORE GOVERNMENT,

Dated Bangalore, the 26th January 1917.

29 JAN 1917

FROM

M. N. Krishna Rao, Esq.,
~~XXXXCHAKRAVARTI, Esq.~~
~~XXXXXXXXXX~~

Offg. *Comptroller to the Government of His Highness the Maharaja of Mysore.*

To

Rajamanthrapravina Diwan Bahadur J. S. Chakravarti, Esq. M.A., F.R.A.S., Etc.,

Secretary to the Government of Mysore,

Financial *Department.*

SIR,

I have the honor to forward herewith for the information of Government, the report submitted by Mr. S. Venkatrangam, Assistant Comptroller, who was deputed to audit the accounts of the Bank of Mysore Ltd., for the half year ending 31st December 1916.

I have the honor to be,

S i r,

Your most obedient servant,

M N Krishna Rao

Offg. Comptroller.

SDV/26

C. O. 43—Rec. 18]

.....Department.

1917.

FROM

~~J. S. CHAKRAVARTI, Esq., M. A.,~~
~~F. R. A. S., ETC.~~,
Comptroller to the Govt. of
H. H. the Maharaja of Mysore.

To . . . . . .

.....~~Esq.~~,
Secretary to the Govt. of Mysore,
.....*Dept.*

Dated 26

Despatched 27 January 1917

Received 6031 [illegible]

No. Fin 632.

Subject matter.

Forwards the audit Report
of Mysore Bank for
Bangalore

(3

Report on the examination of the accounts of the Bank of Mysore Ltd., for the half year ending 31st December 1916.

======

The audit of the accounts of the Bank of Mysore, for the half-year ending 31st December 1916, was performed by me (assisted by the Commercial Auditor) in collaboration with Mr. Ross of Messrs. Fraser and Ross, Chartered Accountants, Madras.

2. We commenced audit on the 2nd January 1917, and concluded it on the 6th January 1917.

3. A printed copy of the Balance Sheet as on 31st December 1916 with the usual Profit and Loss account is appended hereto.

4. The Balance sheet was examined and compared with the books and accounts at Head Office and with the certified returns from the Agencies and it correctly represents the state of affairs of the Bank according to these returns and accounts.

5. We have counted the cash at Head Office and examined in detail the investments, bills, jewels, and other valuables held as security for loans, cash credits and similar other transactions.

6. We also inspected the several godowns of the Bank containing goods on the security of which the Bank had advanced money.

7. The condition laid down in Government Order No. Fl. 5121-73--B. 9-12-2 dated 12th March 1913, requiring the Bank to employ, invest or otherwise utilise at least 50% of the Capital, deposits, and other funds at the disposal of the Bank within the limit of the State, including the Civil and Military Station has been satisfied the investments and almost all

all the transactions being confined to the State.

8. The working expenses of the Bank for the half-year ending 31st December 1916, exceeded Rs. 10,000/- thus entitling the Bank to a contribution of Rs. 5,000/- from Government as per the Government Order quoted above.

9. During the half-year, a net profit of Rs. 91,381-13-2 has been realised and the balance carried forward from the previous year is Rs. 24,200-2-8.

10. The Directors propose to utilise these in the following manner:--

To pay a final dividend at the rate of 6% per annum on the paid-up capital with a bonus of 2% per annum thus absorbing	Rs.	40,000--0--0
To place to Reserve Fund ...		50,000--0--0
To place to Contingency Fund ...		7,500--0--0
To pay a bonus to staff of one month's salary		3,000--0--0
To write down Indian Government 3½% paper to 75 and Mysore Government 4% loan to 97		4,210--0--0
To carry forward to the next account		10,871-15-10

11. In these circumstances the Reserve Fund of the Bank will amount to Rs. 1,75,000/-.

12. We found at the time of audit that the work of the Cashier and that of the Head Accountant in the Bank are being performed from some length of time by one and the same person This is objectionable in principle and it has been pointed out to the President of the Board of Directors.

S Bhashyam

Assistant Comptroller
to the Government of Mysore.

Bangalore,
26th January 1917.

SDV/26

REPORT OF THE DIRECTORS

OF

THE BANK OF MYSORE, LIMITED,

TO BE PRESENTED TO THE SHAREHOLDERS AT THE

FOURTH ANNUAL GENERAL MEETING

TO BE HELD AT

THE REGISTERED OFFICES OF THE BANK IN BANGALORE CITY,

ON

FRIDAY, 2nd FEBRUARY, 1917,

AT 4-30 P.M. PRECISELY.

The Directors have the pleasure to submit to the Shareholders the Balance Sheet and Profit and Loss Statement as at 31st December 1916.

The net profit of the Bank for the half-year ending 30th June 1916 as already published amounted to Rs. 1,00,137-4-10 and that for the half-year ending 31st December 1916 amounts to Rs. 91,381-13-2 which sums, together with Rs. 14,062-13-10 brought forward from 31st December 1915, aggregate **Rs. 2,05,581-15-10.**

	Rs.	a.	p.
An interim Dividend at the rate of 6 per cent per annum with a bonus of 2 per cent per annum was paid for the half-year ended 30th June 1916 which absorbed	40,000	0	0
Placed to Reserve Fund Account	50,000	0	0
The Directors now propose:—			
To pay a Final Dividend at the rate of 6 per cent per annum with a bonus of 2 per cent per annum which for the half-year ended 31st December 1916 will amount to	40,000	0	0
To place to Reserve Fund making Rs. 1,00,000 for the year and raising the Fund to Rs. 1,75,000	50,000	0	0
To place to Contingency Fund	7,500	0	0
To pay a bonus to Staff of one month's salary	3,000	0	0
To write down India Government 3½ per cent Paper to 75 and Mysore Government 4 per cent loan to 97	4,210	0	0
To carry forward to the next account	10,871	15	10
Total ...	2,05,581	15	10

The Bank continues to make steady progress and the Directors are gratified to report that the working capital of the Bank has increased by over 13 lakhs during the year, and the profits earned are 40 per cent in excess of the figure for the previous year. These results they venture to hope will be deemed satisfactory by the Shareholders. The demand for money for the current half-year promises to be good.

The Bank's Accounts have been audited by Messrs. Fraser & Ross, Chartered Accountants of Madras, and by Mr. S. Venkata Rangam, Assistant Comptroller, on behalf of the Government of Mysore.

Dewan Bahadur K. P. Puttanna Chetty and Mr. Oorekondi Channabasappa are the two Directors who retire on this occasion by rotation and are eligible for re-election.

The Auditors, Messrs. Fraser & Ross, also retire and offer themselves for re-appointment.

The Dividend will be payable on and after Monday 12th February 1917.

By Order of the Board,
W. C. ROSE,
Manager.

THE BANK OF MYSORE, LIMITED,
Avenue Road, Bangalore City.
17th January 1917.

Note.—Should you be unable to attend the meeting, or any adjournment thereof, please sign the enclosed Proxy Paper, which must be received by the Bank on or before 3 P.M. on the 31st January 1917.

[P.T.O.

The Bank of Mysore, Limited.

REPORT AND BALANCE SHEET FOR PRESENTATION

TO THE

Fourth Annual General Meeting of Shareholders to be held on Friday, 2nd February 1917.

NOTICE IS HEREBY GIVEN, that the FOURTH ANNUAL GENERAL MEETING of the Shareholders of the Bank of Mysore, Limited, will be held on *Friday, the 2nd February 1917, at 4-30 p.m.*, at the Registered office of the Bank—Avenue Road, Bangalore City—for the transaction of the following business :—

(i) To receive the Report of the Directors and Statement of Accounts up to the 31st December 1916, and to sanction the declaration of a dividend for the year 1916.

(ii) To elect Directors in place of those retiring.

(iii) To consider and sanction the proposal to pay a bonus to the Staff of the Bank.

(iv) To elect Auditors for the ensuing year and fix their remuneration.

(v) To transact any other business of an Ordinary General Meeting.

By Order of the Board,

W. C. ROSE,
Manager.

AVENUE ROAD,
BANGALORE CITY,
17th January, 1917.

WD 1748—2,500—Govt. Press, Bangalore—1917.

THE BANK OF M

BALANCE SHEET AS AT

LIABILITIES.

	Rs.	A.	P.	Rs.	A.	P.
Capital—						
Authorised 20,000 shares of Rs. 100 each	20,00,000	0	0			
Subscribed 20,000 shares of Rs. 100 each on which Rs. 50 per share has been called up				10,00,000	0	0
Deposits—						
Mysore Government Deposits	10,00,000	0	0			
Fixed Deposits	28,41,914	1	3			
Savings Bank and Prudential Deposits	1,05,269	12	1			
Current and other Accounts	10,90,609	2	1			
				50,37,792	15	5
Unclaimed Dividends				4,184	3	0
Reserve Fund				1,25,000	0	0
Contingency Fund				7,500	0	0
Profit and Loss Account—						
Balance as per last Balance Sheet	1,14,200	2	8			
Less transferred to—						
,, ,, Reserve Fund ... 50,000 0 0						
,, ,, Dividend Account 30,000 0 0						
,, ,, 2% Bonus to Shareholders ... 10,000 0 0						
	90,000	0	0			
Balance ...	24,200	2	8			
Add—Profit for half-year to date ...	91,381	13	2			
				1,15,581	15	10
				Rs. 62,90,059	2	3

K. P. PUTTANNA CHETTY,
M. HARIYANNA,
B. K. GARUDACHAR,
B. P. ANNASAWMI MUDALIAR,
Directors.

REPORT OF THE AUDITORS TO THE SHAREH

We report that we have examined and compared the Balance Sheet of the Bank of Mysore, Limited, as at 31st De the Agencies and have obtained all the information and explanations we have required.

In our opinion such Balance Sheet is drawn up in conformity with the Provisions of the Mysore Companies Regula and the explanations given to us and as shown by the books and returns of the Company.

BANGALORE, *6th January 1917.*

PROFIT AND LOSS ACCOUNT FOR SIX J

EXPENDITURE.

	Rs.	A.	P.
To Establishment Account...	18,094	0	2
,, Agencies Commission	7,846	10	5
,, Directors' and Auditors' Fees	2,019	10	0
,, Office Rent	1,156	12	9
,, Stationery	1,402	3	7
,, Depreciation on Furniture	649	13	8
,, Advertisements and Printing	480	6	4
,, Postage and Stamps	952	0	6
,, Telegrams and other miscellaneous expenses	1,163	9	11
,, Balance carried to Balance Sheet...	91,381	13	2
	Rs. 1,25,147	0	6

MYSORE, LIMITED.

T 31ST DECEMBER, 1916.

ASSETS.

	Rs. A. P.	Rs. A. P.
Cash and Investments—		
Cash at Head Office and Agencies	1,79,990 10 5	
Cash with other Banks	2,88,243 13 2	
Cash and deposit with Mysore Government	8,18,405 9 10	
Rs. 61,100 India Government 3½ per cent Paper at 80 per cent plus accrued interest ... 49,652 5 0		
Rs. 38,500 Mysore Government 4 per cent Loan due 1921 at par plus accrued interest 38,951 7 0		
	88,603 12 0	
		13,75,243 13 5
Loans, Cash Credits and Overdrafts—		
Debts considered good for which the Bank holds bills or other securities	42,13,689 4 10	
Debts considered good for which the Bank holds no security being temporary overdrafts	85,031 15 0	
Debts considered good due by Directors or firms in which they are partners	86,925 15 8	
		43,85,647 3 6
Bills Discounted—		
On account of public	4,82,439 4 8	
On account of firms in which Directors are partners ...	7,000 0 0	
		4,89,439 4 8
Bank Property, Office Furniture, and Safes		33,515 14 6
Books and Stationery		6,212 14 2
	Rs.	62,90,059 2 3

W. C. ROSE, *Manager.*

OLDERS OF THE BANK OF MYSORE, LIMITED.

cember 1916 and above set forth, with the books and accounts as kept at Head Office and with the certified returns from

tion, 1895, and exhibits a true and correct view of the state of the Company's affairs, according to the best of our information

FRASER & ROSS,
Chartered Accountants. } *Auditors.*

MONTHS ENDING 31ST DECEMBER, 1916.

RECEIPTS.

	Rs. A. P.
By Interest, Commission, Discount, and Exchange, after allowing for rebate on Bills not matured and Interest to Depositors	1,20,147 0 6
By Mysore Government contribution	5,000 0 0
Rs.	1,25,147 0 6

(8

D. O. No. Fe 4686
G.740-16-16a

GENERAL AND REVENUE SECRETARIAT.

Dated Bangalore, 23rd Febry 1917

Dear Sir,

I am directed to request you for kindly furnishing confidentially for the information of Government certain particulars in connection with the working of the Bank of Mysore.

1. According to the latest statement of affairs of the Bank for the week ending 25th January 1917, seven agencies have been started. Have any been opened or proposed to be opened since?

2. When and on what dates were the several branches established?

3. What is the trade or industry of the locality to finance which each agency was mainly started?

4. What is the extent of operation in each branch say for 1916 as compared with that of the Head Office?

5. What is the percentage of the public deposits as fixed at the end of December 1916 which has been contributed by local capital as compared with outside or foreign capital?

6. What percentage of the total assets outstanding on 31-12-19 was due from the constituents in the Mysore State including C. & M. Station?

7. Any additional statistical information to show how the Bank has been of use in financing the trade and industry of the province, in attracting local capital, and in affording banking facilities to the people of the State will also be welcome.

Yours faithfully,

23/2/17

To

W. C. Rose, Esq.,

Manager, Bank of Mysore.

D 2170 9c

ON TO BE ADDRESSED
MANAGER,
ress: "MYSOREBANK."
. C. 5TH EDITION.

fo. .....

The Bank of Mysore, Ltd.,

Bangalore, 14th March 1917

- CONFIDENTIAL -

The Financial Secretary to the Government of Mysore,
Bangalore.

Dear Sir,

We are in receipt of your Confidential D/O letter No.Fl. 4686 dated 23rd February 1917 asking for the information of Government certain particulars in connection with the working of the Bank of Mysore, and in reply beg to state as follows:

2. Agencies: Seven Agencies of the Bank have been established within the State viz.,

1. Davangere	opened in	March 1914
2. Tiptur	"	"
3. Channapatna	"	June 1914
4. Chickmagalur	"	July 1914
5. Tumkur	"	August '14
6. Mysore	"	"
7. Shimoga	"	"

With the Banks limited resources, together with the abnormal financial conditions that have prevailed since the outbreak of the War in 1914 and still continue, the Directors do not think it expedient that fresh Agencies should be established which would have the effect of curtailing the

funds now made available to the existing Agencies. The Directors, however, have under consideration the desirability of establishing an Agency at the Kolar Gold Fields as it is hoped that additional working capital might be secured therefrom.

3. Trade financed by Agencies: Each Agency is expected to finance the trade of its locality, as for example, Davangere - cotton and grains, Tiptur - copra, cocoanuts and grains, Tumkur - grains, Mysore, general produce, Chennapatna - Silk, Shimoga, arecanut and grains, Chickmagalur - coffee and general produce. In addition, there is the general financing of the local import and export houses.

4. Extent of Agency operations: The total advances of all kinds at the Agencies during 1916 totalled over 83 lakhs, and the grand total of cash payments and receipts(which include floating a/cs, fixed deposits inter-branch and Head office transactions, in addition to loan operations) amounted to Rs.290 lakhs as against 95 lakhs and 694 lakhs respectively at Head office.

5. Percentage of Foreign Deposits to Home Deposits. The percentage of Foreign Deposits is 5.02, thus showing about 95% of the Banks deposits as obtained within the State.

6. Percentage of assets due by constituents within the State: All the

advances outstanding on the 31st December 1916 were due by constituents resident in the Mysore State including the Civil and Military Station.

7. General Remarks: The foregoing information discloses that practically the whole of the Banks working capital has been secured within the State and applied solely to financing the trade and industry of the Province. It is submitted that for a young institution of only 3 years standing the Bank have granted all possible Banking facilities within its limited resources. The total number of constituents on the Banks Books at the end of 1916 was 3915, exclusive of 1250 shareholders.

Yours faithfully,

Manager.

G. R. S. 26]

File No. 60.
Serial No. 9[illegible]

Diary No. of letter replied to 2170.

No. 76672.

General and Revenue Secretariat
(G 2)
, *the* 191 .

To & 19th April 17

Date of issue 19-4-17

Signed by W Sreenivasaraghavan

Dear Sir,

Please refer to
your para 2 of your
letter D. 16-3-17 giving
particulars of the Banks'
progress since its inception
It is seen that Guyana
is mentioned as one of the
countries to which ~~it is~~ the
agents ~~to be a Branch~~. I shall
thank you to let me
know how many of these
if there is any distinction must over.

SUBJECT.

In regard to ~~the Work~~ working between an agency

~~business centres~~ are to

~~Agencies & Local Banks~~ & a Bank

~~Bankers~~

yours faithfully

W
17/4

Wm. C. Rose Esq
Manager Bank
of Hayama Ltd

List of enclosures

Copied by

Examined by

GPB—20,000—10-10-14

ALL COMMUNICATIONS TO BE ADDRESSED
TO THE MANAGER.
TELEGRAPHIC ADDRESS: "MYSOREBANK."
CODE: A. B. C. 5TH EDITION.
POST BOX No. 37.

No. 5 48/149

& REV. SECT.
21 APR 1917

GI 40-16-286

The Bank of Mysore, Ltd.,

Bangalore, 20TH April 1917

GEN. & FINANCIAL
23 APR 1917

D·2570.

The Financial Secretary to the Govt. of Mysore,
Bangalore.

Dear Sir,

In reply to your letter of the 19th inst. No.Fl.6672, Mysore was converted into a Branch on the month of Sept. 1915, and the only banking difference between an Agency and a Branch is that the former is paid a fixed percentage on net profits, and the latter a fixed monthly salary to the Manager.

Yours faithfully,

Manager.

(12.

CIRCULAR.

BANK OF MYSORE, Ltd.,
Bangalore, 8th March, 1917.

An Instalment Plan for the New War Loans.

With a view to give its constituents every facility for subscribing to the Government of India New 5 and 5½ per cent War Loans, the Bank of Mysore Ltd., are prepared to grant advances to its approved constituents on the following investment plan. By the easy instalments offered constituents who have insufficient spare cash at present will be able to anticipate their savings for 17 and 18 months ahead or longer as against the four months fixed under the Government of India conditions for instalment payments.

On payment of a margin of Rs. 10 per cent, which may be provided in cash or by the deposit of marketable security, the Bank are prepared to subscribe for Rs. 100 or any multiple thereof upto Rs. 5,000 or more to either of the new loans. In the case of the 5% War Loan this will represent an advance by the Bank of Rs. 85 per cent and Rs. 90 per cent in the 5½% War Bonds. Towards the repayment of the advance, the Bank are willing to receive instalments of ~~10~~ 5% per cent monthly thus spreading the liquidation of the advance over a period of 17 months in the case of the former loan, and 18 months in the latter. Interest will be charged at the same rate as that obtainable by the investor in the two loans, but in the case of the former loan, the investor will be liable to the payment of income tax under the Government of India scale, but will be free if his income is under Rs. 1,000 per annum. The full interest realized on the security will be credited to the account of the borrower.

The concession in interest will hold good only if regular monthly instalments are paid by the seventh day in every month; otherwise an additional 2% per annum will be payable.

The failure to pay any two consecutive instalments will render the security liable to be sold, but constituents are at liberty to sell their holdings at any time they choose.

Any other information will be furnished on application to the Manager, Bank of Mysore Ltd., or to any Agency of the Bank in Mysore.

W. C. ROSE,
Manager.

Application and Agreement Form.

TO

THE BANK OF MYSORE, Ltd.,

_____

Dear Sirs,

In terms of your Circular dated 8th March, 1917, I/We hereby instruct you to apply on my/our behalf for an allotment of Rupees (A)_____

_____

in the (B) 5% Government of India War loan 1929/1947.
5½% Government of India 3 years War Bonds repayable 1920.
5½% Government of India 5 years War Bonds repayable 1922.

2. I/We enclose a receipt / a cheque / Currency Notes for Rs._____being the amount of the margin at the rate of Rs. 10 for every Rs. 100 of the loan applied for, and I/We hereby engage to pay you the balance in monthly instalments and agree to the other conditions as stipulated in your Circular abovementioned.

Yours faithfully,

Signature :

Address :_____

_____

_____

*Date,*_____ *1917.*

(A) Figures and words should be written.
(B) Strike out loan or loans not required.

Ratnakar & Co. Printers, Bangalore City.

(4)

R e p o r t.

In accordance with Government Order No.Fl.5121-73 B.9-12-2 dated 12th March 1913, the Bank of Mysore was started on 19th May 1913. It was opened for business from 2nd October 1913 and has now been in operation for ~~about~~ over 3½ years.

2. The several half yearly reports of the Bank ending upto 31st December 1916 have been received. Government are also getting weekly statements of the affairs of the Bank. The accounts of the Bank for the several half years have been audited by one of the Account Officers of the State in collaboration with the firm of chartered accountants, Messrs. Fraser and Ross - auditors appointed by the Bank. Copy of the Government auditors' report is being received in the Secretariat and recorded after scrutiny.

Flag S.

3. A statement showing progress in the working of the Bank to end of 31st December 1916 under the several heads is attached.

Flag R.

4. Two comparative tables, showing the capital, Reserve, Deposits, Cash and investments, as well as the result of workings of the 3 Presidency Banks and Bank of Mysore (for the latest year for which figures are available in respect of the former) are also put up.

5. Against the authorised capital of the Mysore Bank - namely 20 lakhs, only 50% has been called up; the reserve fund amounted to 1.75 lakhs at the close of 1916. The Government have deposited 5 lakhs free of interest for 10 years and another 5 lakhs at 3% which is being renewed from year to year. The question of renewing this latter deposit from 1st May 1917 is under the consideration of Government

6. The total working capital at the end of December 1916 was over 60 lakhs of which 2/3rds or 40 lakhs was contributed by the public; it is stated that about 95% of the Bank's deposit was obtained within the State.

7. It is one of the directions of Government that at least 50% of the capital of the Bank should be utilized for financing trade and Industry and for affording easy credit to producers in the Mysore State including the Civil and Military Station. The auditors' reports show that this condition is being observed. It is stated by the Bank that all the advances and loans outstanding on 31st December 1916 were due by the constituents resident in Mysore State including the Civil and Military Station.

8. The Bank has established a branch at Mysore and 6 Agencies viz.- in the ~~three~~ District Head Quarters towns of Shimoga, Chickmagalur and Tumkur, and the mofussil business centres of Davangere, Tiptur, and Channapatna. It is understood that the following special trade, and industry are being financed by the

(16)

Bank.

Cotton at Davangere.

Copra and Cocoanut at Tiptur

Silk at Channapatna.

Arecanut at Shimoga.

Coffee at Chickmagalur.

Grains and General produce at Mysore and Tumkur.

9. The total advances of all kinds at the Branch and Agencies during 1916 are stated to have amounted to 83 lakhs as -- against 95 lakhs at the head Office - and the volume of cash transactions during the year at the former was to the extent of 290 lakhs against 694 in the Head Office.

10. The Bangalore and Mysore City Municipalities as well as a few other muffosil municipality, viz.- Tiptur and Tarikere -- have invested a portion of their surplus funds in fixed deposit with the Bank of Mysore, and the Bangalore Municipality has also with - the permission of Government been carrying on its treasury transactions through the Bank of Mysore.

11. The question of entrusting the Bank of Mysore with a portion of Government -- Treasury Business at Bangalore (just as the Presidency Banks in British India are entrusted with Treasury work) referred to in the Government Order of 12th March 1913 has not been taken up for consideration

by

by Government.

12. Considering that the net profit earned by the Bank compares favourably with that of the Presidency Banks as per Table II, that its reserve fund is being rapidly accumulated and has amounted to Rs. 1,75,000 i.e. 17½ % of the called up capital in 3 years and that the proportion of cash to liabilities in deposits on the last day of December 1916 was not much below that of the Presidency Banks, it may be stated that the condition of the Bank which has now been in operation for only 3 complete years is satisfactory.

(18

Flag G.

1. Read Government Order No.5121-73 /B. 9-12-2 dated 12th March 1913 sanctioning the formation of a State-aided-Bank in - Bangalore called the Bank of Mysore with certain concessions from Government.

Flag Z 4
Papers under Disposal 2.

2. The half yearly balance sheets and the audit reports of the transactions of the bank ending up to 31st December 1916.

Order No.

Dated, Bangalore, the 1917

The Bank of Mysore, started in accordance with the Government Order read above for affording banking facilities to the trade and industry of the State by utilizing local capital, was registered on 19th May 1913 with Head Office at Bangalore. It was opened for business on 2nd October 1913.

2. The Bank has now been in operation for over 3 years. The Government of His Highness the Maharaja desire to review the progress made by it in the matter of attracting local capital, the help it has afforded to trade and industry and to producers in the Mysore State.

3. Of the authorised capital of 20 lakhs, the bank has now called up only 50%. This sum of 10 lakhs together with the deposit of 10 lakhs from Government forms about a third of the Banks working capital, the balance being contributed by fixed and

other deposits from the public. About 95% of the deposits from the public was, it is understood, contributed by constituents, within the Mysore State.

4. Government observe that deposits in the Bank have been made by the 2 City Municipalities of Bangalore and Mysore and the Municipalities of Tarikere, Tiptur, and Tumkur as well, and that the Bangalore City Municipality is conducting its cash business through the Bank of Mysore.

5. In furtherence of the objects with which it was started the Bank has established agencies at the business centres of Davangere, Tiptur, Channapatna, Shimoga and Chickmagalur to finance the special trade and industry of the localities. Prominent among these trades and industries are these in cotton, arecanut, copra, cocoanut, silk and coffee. A branch and an Agency have also been opened at the District Head Quarter towns of Mysore and Tumkur respectively for the general financing of local import and export trades.

6. The advances and loans made and the total volume of transactions at the branches and agencies during 1916 are stated to have amounted to over 83 lakhs

and